*Press release*

***Factory Fire Ali Enterprises: KiK rejects accusations of international trade unions***

Boenen 09.09.2015 – It was with great astonishment that KiK has learned of the recent accusations and untruths by some international unions. But constantly repeating false allegations does not make them more true. KiK therefore rejects the accusations as incomplete and knowingly misleading.

KiK has always explicitly stated to welcome the recently initiated judicial examination to finally clarify the accusations. The proper location for this clarification should, however, not be the public media, but rather the court. Therefore, it is less about "losing patience" as the organizations claim, but about showing respect for a German court and its ruling.

Apparently, the plaintiffs themselves no longer believe in a legal success, because they keep launching wrong and unsubstantiated accusations in public without discernible reasons. This particularly concerns the accusation of non-payment of financial assistance.

From the outset, KiK has agreed to provide the necessary assistance for reasons of human compassion. As first institution, KiK therefore has paid an amount of USD 1 million to help the victims of the factory fire at Ali Enterprises quickly and unbureaucratically. Moreover, those affected by the fire have received several million US dollars of the Pakistani government, the factory owner and a private individual.

KiK had also offered to provide further long-term assistance, if required. For this purpose, KiK has proposed a process in accordance with Convention 121 of the International Labor Organization, which was successfully applied in the Rana Plaza collapse. At the time, international unions have expressively supported this process.

In the case of Ali Enterprises, however, stakeholders have rejected an analogous application, which in the end would have provided more assistance to those concerned. They have instead demanded lump sum payments in millions of dollars by KiK. In the interest of those affected KiK has always been interested to reach a quick and unbureaucratic agreement.

Regarding the cause of the fire, the original report by the Pakistani public prosecutor’s office has been withdrawn due to significant deficiencies and a re-examination by five investigating authorities has been ordered. In addition to the cause of fire, the circumstances of the fire will be the subject of this new investigation.

As member of the Bangladesh Accord on Fire and Building Safety, KiK is committed globally to ensuring high safety and social standards in the commissioned manufacturing operations. For this reason, KiK has also joined the German Alliance for Sustainable Textiles in June 2015.

***About KiK:***

*KiK stands for “The customer is king” (“Kunde ist König”), a phrase which has been its guiding principle since it was founded in 1994. KiK Textilien und Non-Food GmbH offers good quality ladies’ clothing, menswear, children’s and babies’ clothing at competitive, affordable prices. In addition to clothing, ranges also include gift items, toys, beauty products, accessories and household textiles. With over 3,200 branches in Germany, Austria, the Czech Republic, Slovenia, Hungary, Slovakia, Croatia, Poland and Netherlands, KiK generates revenue in excess of one billion euros each year. In Germany, the company is ranked among the top 10 clothing retailers. German customers have also had the option of ordering online at* [*www.kik.de*](http://www.kik.de) *since 2013.*

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